

## Message Text

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15

ACTION EB-07

INFO OCT-01 NEA-10 ISO-00 AID-05 CIAE-00 COME-00 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04

CEA-01 L-03 H-02 /083 W

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R 011450Z OCT 75

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC 6898

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E.O. 11652: NA

TAGS: USEGJC EINV EG

SUBJECT: US INVESTMENTS IN EGYPT

REF: A. CAIRO 9596 B. STATE 228375

1. REF A WAS PRELIMINARY REPLY TO REQUEST REF B FOR UPDATED LIST OF US COMPANIES SERIOUSLY NEGOTIATING INVESTMENTS IN EGYPT. EMBASSY HAS ENDEAVORED DEVELOP CURRENT INFORMATION ON STATUS VARIOUS PROPOSALS INVOLVED, BUT WITHOUT SIGNIFICANT SUCCESS DUE TO INABILITY TO CONTACT LOCAL REPS (IF ANY) AND FACT THAT COMPANIES DO NOT ALWAYS KEEP US FULLY INFORMED OF THEIR ACTIVITIES.

2. PROJECTS LISTED IN CAIRO 3469, IN GENERAL, APPEAR TO BE MOST LIKELY PROSPECTS (EXCEPT FOR UNION CARBIDE), WITH CONTACTS AS INDICATED. WE WOULD HIGHLIGHT PFIZER, OWENS ILLINOIS, CRITERION MILLS, BURLINGTON MILLS, SPRING MILLS, PHEONIX FIBERS, DART INDUSTRIES AND TABOR METALS AS BEST PROSPECTS IN FIELDS OF PHARMACEUTICALS, TEXTILES AND LIGHT-INDUSTRY.

3. LARGE, DRAMATIC PROJECTS OF OVER \$100 MILLION ARE IN THE CONSIDERATION STATE AS FAR AS WE ARE AWARE. POSSIBLE EXCEPTION IS FORD, WHICH HAS DELAYED PRESENTATION OF ITS DIESEL ENGINE  
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PROJECT (ALLEGEDLY AT GOE'S REQUEST) UNTIL PERIOD AFTER JBC

MEETING AND BEFORE PRES SADAT'S VISIT TO US. GM TOLD EMBASSY SEVERAL MONTHS AGO THAT THEY HOPED TO PRESENT TRUCK PROPOSAL, BUT WE HAVE HEARD NOTHING SINCE. NASCO WOULD BE JOINT VENTURE PARTNER IN ALL AUTOMOTIVE PROJECTS, AND SINCE WE HAVE IDENTIFIED 11 FIRMS (7 AMERICAN) WHO HAVE BEEN DISCUSSING POSSIBILITIES WITH THAT COMPANY, IT IS DIFFICULT TO ASCERTAIN RELATIVE STATUS OF ANY ONE PROPOSAL.

4. WE BELIEVE IT IS USEFUL TO BEAR IN MIND DIFFICULTIES AND COMPLICATIONS THAT ARE ENCOUNTERED AT EVERY STAGE OF FOREIGN INVESTMENT HERE. THERE IS NO DOUBT THAT ANNOUNCEMENT OF INVESTMENT BY US COMPANY WOULD SERVE DEFINITE FOREIGN POLICY OBJECTIVES, IN DIRECT PROPORTION TO SIZE OF BOTH COMPANY AND INVESTMENT ITSELF. POSSIBLE COUNTER-EFFECT OF PREMATURE ANNOUNCEMENT AND SUBSEQUENT ABANDONMENT IS ALSO A FACTOR TO BE CONSIDERED, AND WHILE WE ARE NOT SUGGESTING THAT USG COULD OR WOULD STAMPEDE AN AMERICAN FIRM INTO COMMITTING ITSELF BEFORE IT IS READY, IT IS WORTHWHILE QUESTIONING URGENCY. GOE HAS ALREADY ANNOUNCED \$3 BILLION WORTH OF US INVESTMENTS WILL BE FORTHCOMING, AND THAT SHOULD SUFFICE, EVEN WITHOUT SPECIFICS, FOR THE TIME BEING.

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** BUSINESS FIRMS, FOREIGN INVESTMENTS, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 01 OCT 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ShawDG  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975CAIRO09798  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
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**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750341-0255  
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**Image Path:**  
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**Office:** ACTION EB  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 CAIRO 9596, 75 STATE 228375  
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**Subject:** US INVESTMENTS IN EGYPT  
**TAGS:** EINV, EG, USEGJC  
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